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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

October 14, 2015

Steve L. Gilbert  
Black Iron, LLC.  
6249 West Gilbert Industrial Court  
Hurricane, Utah 84737

Subject: Request for Self-Bonding, Black Iron, LLC, Iron Mountain Mine, M/021/0008, Iron County, Utah

Dear Mr. Gilbert:

The Division of Oil, Gas and Mining has reviewed the financial documents provided regarding your desire to provide a self-bonding agreement to the Board of Oil, Gas and Mining for the Iron Mountain Mine, which you purchased from CML Metals Corporation. In reviewing the documents, our auditor, Steve Schneider, found several items which gave concern for self-bonding in that they did not meet the criteria used to determine a company's financial strength for self-bonding. A copy of Mr. Schneider's memorandum is enclosed with this letter. These criteria are not in the Mined Land Reclamation Act or associated rules, but the Division cannot support your request for self-bonding.

Although the Division would not recommend to the Board of Oil, Gas and Mining that it approve a self-bonding request, the Board makes the determination whether a company shows sufficient financial strength to qualify for a self-bonding agreement. You may file a Request for Agency Action with the Board for them to make this decision.

Please contact Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have questions regarding this letter.

Sincerely,

Paul Baker  
Minerals Program Manager

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Enclosure: Memo from Steve Schneider  
cc: Julie Ann Carter  
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